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August 11, 1999

VIA COURIER

Ms. Magalie R. Salas
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: UNE Remand Proceeding,
CC Docket No. 96-98

Dear Ms. Salas:

The Competitive Telecommunications Association ("CompTel"), by its attorneys, hereby submits the following documents for inclusion in the record in this proceeding:

1. Affidavit of Andrew M. Walker, Vice Chairman and Chief Executive Officer, ITC^DeltaCom, Inc.;
2. Declaration of Jerry James, Executive Vice President, Governmental Affairs and Business Development, Golden Harbor of Texas, Inc.; and
3. Affidavit of Richard L. Tidwell, Vice President, Industry and Regulatory Relations, Birch Telecom, Inc.

These documents discuss the experiences of each respective company in installing a local exchange switch, and demonstrate how CLECs are impaired without access to unbundled switching as a network element.

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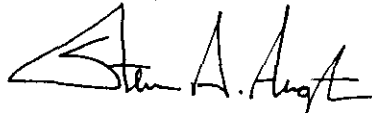
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In addition, CompTel gives notice that on August 10, 1999, Carol Ann Bischoff of CompTel, Robert J. Aamoth of Kelley Drye & Warren, and the undersigned had a telephone conversation with Jake Jennings of the FCC's Common Carrier Bureau. CompTel described the information contained in the above documents and stated that it would be submitting the documents promptly.

An original and one copy of this notice is provided.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven A. Augustino". The signature is stylized with a large, sweeping initial "S" and a long, horizontal stroke extending to the right.

Steven A. Augustino

SAA:pab

Enclosures

Cc: Jake Jennings
Claudia Fox
Chris Libertelli

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Implementation of the)	CC Docket No. 96-98
Local Competition Provisions of the)	
Telecommunications Act of 1996)	
)	

AFFIDAVIT OF ANDREW M. WALKER

1. My name is Andrew M. Walker. My business address is 1791 O.G. Skinner Drive, West Point, GA 31833.
2. I am Vice Chairman and Chief Executive Officer for ITC^Deltacom, Inc. ("DeltaCom").
3. DeltaCom is a local service provider offering service in the states of North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi and Louisiana. DeltaCom offers switch-based service in twenty six (26) markets in these seven (7) states from six (6) switches, and is in the process of installing and/or testing six (6) new switches in Houston, Texas, Tampa, Florida, Jacksonville, Florida, Miami, Florida, Nashville, Tennessee and Montgomery, Alabama. These new switches will potentially serve fifteen (15) to twenty (20) additional markets in the states of Alabama, Florida, Tennessee and Texas. DeltaCom also offers local service through the resale of the incumbent local exchange carrier's retail

unbundled network elements (“UNEs”) obtained from incumbent local exchange carriers (“ILECs”).

4. In DeltaCom’s experience, installation of a local switch takes on average 9-12 months from the date that a switch is ordered. This time period includes, in addition to the time it takes for delivery of a switch from the vendor, installation and testing, and time for other switch-related activities such as obtaining collocation space from an ILEC. Notably, under current circumstances, DeltaCom must establish a collocation arrangement and obtain transport facilities between the collocation facility and its switch for each end office where it serves a customer. The total cost of switch installation, including associated collocation costs, typically exceeds several million dollars per switch.
5. By contrast, with access to ILEC switching as a UNE, DeltaCom’s time to market in a particular area can be significantly shortened. When using UNEs as an entry strategy, DeltaCom’s time to enter will be reduced to the time it takes an ILEC to provision a UNE, plus any time used for testing purposes. In order to ensure an adequate cushion for these activities, DeltaCom typically begins to request UNEs in a market no more than three months prior to when it intends to provide service to end users.
6. Typically, DeltaCom would not request UNEs until it was ready, or nearly ready, to provide service to end users. It makes no sense for DeltaCom to pay recurring and non-recurring UNE charges for any significant period in advance of when it plans to provide service.

7. During the time that it takes for an ILEC to respond to a UNE request, DeltaCom ordinarily can perform all other non-switch related activities necessary to enter a particular market. For example, DeltaCom can hire a sale force, organize customer care and install back office systems to serve local customers within the three month time period allotted for the use of UNEs.
8. Notably, if a carrier already has a sales force, customer care and back office systems, its time to market can be reduced even more. Thus, if the requesting carrier has an existing customer base due to the provision of related services or if the carrier provides local service in nearby markets, its time to market using UNEs can be less than the three month time period discussed above.
9. This concludes my affidavit.

Executed this 10th day of August, 1999



Andrew M. Walker

SWORN TO and subscribed before
me this 10th day of August, 1999



Notary Public

My Commission expires: MY COMMISSION EXPIRES NOV. 17, 2001

DECLARATION OF JERRY JAMES

1. My name is Jerry James. I hereby declare under penalty of perjury that the following statements are true and correct to the best of my own knowledge and experience.

2. I am Executive Vice President of Governmental Affairs and Business Development of Golden Harbor of Texas, Inc. ("Golden Harbor"). Previously I described my background and Golden Harbor's operations in an affidavit submitted in CC Docket No. 96-98 on May 26, 1999 as Attachment F to the Comments of the Competitive Telecommunications Association.

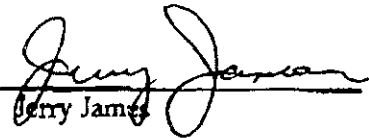
3. In Golden Harbor's experience, it is not always feasible from a business or economic standpoint for a new entrant to provide local services based on switching which it self-provisions. For example, a new entrant may need to serve multiple locations in order to serve a business customer even though the entrant does not broadly market local services in all of those locations. The new entrant cannot compete for that customer unless, in those locations where the entrant does not broadly market local services, it can obtain unbundled switching at cost-based rates from the incumbent local exchange carrier ("ILEC"). Another example is the need for a new entrant, especially a small to medium size company that relies upon private or bank financing to expand its market footprint, to establish a customer base in new cities before investing capital to install a switch. To establish a customer base in such a city, the entrant must provide the competitive services necessary to attract new customers, and ILEC local switching could be a critical to an entrant's ability to achieve that objective.

4. In situations where self-provisioning of switching may be feasible from a business and economic standpoint, it is Golden Harbor's experience that it takes 9-12 months, and sometimes more, to locate and lease the necessary switch site, to complete the site preparation (build-out floor space, install environmental, etc.), complete the necessary facility and interconnection arrangements with the ILEC (which alone could take as long as 150 days), establish collocation arrangements, and order, install and test a switch so that it is capable of providing services to customers. The total cost of completing these and related tasks to self-provide switching typically costs several millions of dollars per switch.

5. In Golden Harbor's view, it is not feasible from a business or economic standpoint for it to self-provision switching except in locations where it already has developed an existing customer base and revenue stream. In the largest markets, it is necessary to have an existing customer base and revenue stream in order to justify spending the millions of dollars necessary to self-provision switching. In the second tier markets, it is necessary to have an existing customer base and revenue stream not only for that reason, but because lenders will not otherwise commit the capital necessary for the self-provisioning of switching. As a result, the self-provisioning of switching is not a viable option unless the entrant already has found a way to provide local services efficiently and effectively through other means, such as unbundled network elements ("UNEs") provided by the ILEC. In calculating the amount of time necessary for a new entrant to self-provision switching, the FCC should consider not only the 9-12 month period noted above, but also the prior time period necessary for the entrant to establish a customer base and revenue stream in the area.

6. Golden Harbor estimates that it will take approximately 3-4 months for it to perform all the non-switching related tasks necessary to enter a local market, such as developing a market plan, providing a sales force to contact customers, and installing the necessary back-office systems. That time can be shorter if Golden Harbor is already providing other services in the area, or if it is providing local services in a nearby area. If Golden Harbor has to wait until it can install a switch in each location, it will be delayed 9-12 months. However, in cases where it seeks to enter a local market before having to install a switch, Golden Harbor can begin to enter a market as soon as it can begin selling its services if the necessary UNEs are available from the ILEC. By the time the UNEs are ready to be provisioned, the entrant already will be in a position to use those UNEs in the provision of local services to customers.

Executed this 10th day of August, 1999


Jerry James

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** TOTAL PAGE.04 **

AFFIDAVIT OF RICHARD L. TIDWELL

1. My name is Richard L. Tidwell. I am Vice President, Industry and Regulatory Relations for Birch Telecom, Inc. ("Birch"). I provided relevant background information on Birch in an affidavit submitted in CC Docket No. 96-98 on May 26, 1999 as Attachment E to the Comments of the Competitive Telecommunications Association.

2. My previous affidavit indicated that, in Birch's experience, it takes up to nine months at a cost of \$4-6 million to complete installation of a switch. More recently it took Birch approximately one year to complete installation of a switch. As a result, our experience shows that it takes in the range of 9-12 months to complete installation of a switch.

3. Even after switch installation is complete, the switch cannot be used to provide services to customers unless, among other things, the entrant obtains transport facilities from the incumbent local exchange carrier ("ILEC") to connect the switch to each end office from which the entrant serves customers. To date, the ILECs have not provided Birch with adequate interconnection or transport services enabling it to provide local service to subscribers at a satisfactory level of quality in Kansas or Missouri. As a result, despite completing the installation of several switches months ago, Birch still has not been able to implement its business plan to use those switches to provide local services to customers.

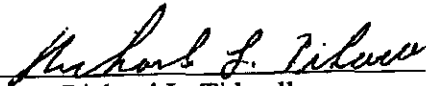
4. In Birch's experience, an entrant generally cannot justify the costs of self-providing a switch unless it already has established a significant market presence with customers in an area. As a result, when an entrant wants to enter a particular geographic market for the first time,

normally it cannot do so through self-provided switching. Rather, it must rely upon other means to enter the local market for some period of time before it will be in a position to consider providing its own switching. Even once a switch is in place, the actual interconnection to additional ILEC central offices is costly and time-consuming. By contrast, if ILECs make available to an entrant the UNEs that are necessary for the provision of local services, the entrant could rely upon UNEs for entering a local market in the first instance as well as for expanding the market footprint. The rural nature of much of Kansas and Missouri makes the need for UNEs for market entry and expansion even greater. Using UNEs a CLEC can build a business plan to serve several small markets at once with a smaller capital investment. As the markets grow and mature, a central switch might be installed to serve these multiple markets after a reasonable market share has been obtained. Without UNEs the risk in these smaller markets is so great that potential competitors will simply ignore the smaller markets in favor of larger metropolitan markets.

5. Wholly apart from the installation of a switch, I estimate that it would take approximately three months to complete other tasks, such as hiring a sales force and establishing back-office systems, that are necessary to provide services in a market for the first time. That time period can be shortened if you are already providing services in an area, or if you are providing the same service in a nearby area. If a CLEC is already doing business and wants to expand to nearby markets, the task of establishing back-office systems would be less burdensome and the time to market could be as little as 30-45 days in some cases. Yet in the case of switch-based service, the time to market would remain at 9-12 months (or more), giving the ILEC plenty of time to work to preserve its customer base while the CLEC tries to get into

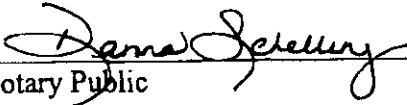
service. To the extent an entrant seeks to provide local services through UNEs, it would not have to complete those tasks prior to ordering the UNEs. Rather, the amount of time it takes for UNEs to be available for the provision of services to customers often will be sufficient for the entrant to complete the other tasks necessary to enter a market.

Executed this 10th day of August, 1999


Richard L. Tidwell

SWORN TO and subscribed before
me this 10th day of August, 1999




Notary Public

My Commission expires: 12-4-02